



The Commonwealth of Massachusetts

Office of Campaign & Political Finance

One Ashburton Place, Boston 02108

727-8352

AO-87-08

Dennis J. Duffin
Director

August 21, 1987

Robert P. Rodophele, Esq.
Ferriter, Scobbo, Sikora,
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One Milk Street
Boston, MA 02109

Dear Mr. Rodophele:

This in response to your recent request for an advisory opinion concerning the application of M.G.L.c. 55, the campaign finance law to the following activities of your client, the Associated Builders and Contractors, Inc. (ABC)

You state that ABC is organized under M.G.L.c.180, and as such is a non-profit corporation. It wishes to make expenditures relative to a question which may appear on an up coming state election ballot. Your specific questions, and the appropriate answers, are set forth below.

1. Can ABC expend money from its general funds in support of or in opposition to ballot questions.

As the enclosed memorandum indicates non-profit corporations such as ABC may make expenditures out of their general treasury funds to influence the vote on a ballot question, provided those funds have not been raised specifically for political purposes.

2. Under what circumstances would ABC be considered a political committee under G.L.c. 55.

If the ABC raises any funds specifically for any political purpose, it is functioning as a political committee. In addition, if it expends funds for the benefit of candidates in more than an incidental manner, as defined in the enclosed bulletin, it is functioning as a political committee. However, as noted in the first paragraph on page 3 of enclosed Interpretive Bulletin IB-104:

"Because M.G.L.c. 180 non-profit corporations may not be political committees under chapter 55 2/, a c. 180 non-profit

corporation who wishes to make expenditures for candidates and multi-candidate committees above the threshold amounts, or who wish to solicit and receive funds specifically for political purposes, should establish a political committee in which all funds are separately received, maintained and used for campaign finance purposes."

I should also note that since the campaign finance law prohibits direct or indirect contributions or expenditures by business corporations to influence the nomination or election of candidates to public office, if the membership of the Associated Builders and Contractors is comprised in whole or in part of business corporations, it may not make any contributions or expenditures (incidental or otherwise) relative to candidates, candidate committees, multi-candidate committees, or political parties.

3. If ABC is not a political committee but does expend funds from its general treasury for ballot question purposes, are there any reporting requirements.

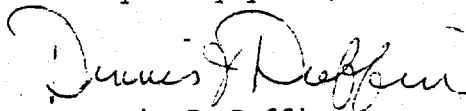
G.L.c. 55, s.22, as most recently amended by c.631 of the Acts of 1986, provides that:

"The treasurer of any corporation, which has given, paid, expended or contributed, or promised to give, pay, expend or contribute, any money or any valuable thing in order to influence or affect the vote on any question submitted to the voters shall file reports with the director, and copies of said reports with the city or town if made to influence the vote on any question submitted to the voters at a city or town election, setting forth the amount or value of every gift, payment, expenditure or contribution or promise to give, pay, expend or contribute, together with the date, purpose, and full name and address of the person to whom it was made.

Such report shall be filed as follows: (1) the sixtieth day prior to the election complete as of the preceding fifth day; on or before (2) the fifth day and twentieth day of each month complete as of the preceding first and fifteenth day of the month, until the election, and thereafter; (3) the fifth day of each month until all declared liabilities have been discharged."

I understand that there are further questions you may wish to pursue. Please feel free to contact us again at your convenience.

Very truly yours,



Dennis J. Duffin
Director

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Enclosure